

**United States Bankruptcy Court**  
**Northern District of New York**

In re **US Datanet Corporation**

Debtor(s)

Case No.  
Chapter**08-32560-5**  
**11**

**STATEMENT OF FINANCIAL AFFAIRS**

This statement is to be completed by every debtor. Spouses filing a joint petition may file a single statement on which the information for both spouses is combined. If the case is filed under chapter 12 or chapter 13, a married debtor must furnish information for both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed. An individual debtor engaged in business as a sole proprietor, partner, family farmer, or self-employed professional, should provide the information requested on this statement concerning all such activities as well as the individual's personal affairs. To indicate payments, transfers and the like to minor children, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. § 112; Fed. R. Bankr. P. 1007(m).

Questions 1 - 18 are to be completed by all debtors. Debtors that are or have been in business, as defined below, also must complete Questions 19 - 25. **If the answer to an applicable question is "None," mark the box labeled "None."** If additional space is needed for the answer to any question, use and attach a separate sheet properly identified with the case name, case number (if known), and the number of the question.

***DEFINITIONS***

*"In business."* A debtor is "in business" for the purpose of this form if the debtor is a corporation or partnership. An individual debtor is "in business" for the purpose of this form if the debtor is or has been, within six years immediately preceding the filing of this bankruptcy case, any of the following: an officer, director, managing executive, or owner of 5 percent or more of the voting or equity securities of a corporation; a partner, other than a limited partner, of a partnership; a sole proprietor or self-employed full-time or part-time. An individual debtor also may be "in business" for the purpose of this form if the debtor engages in a trade, business, or other activity, other than as an employee, to supplement income from the debtor's primary employment.

*"Insider."* The term "insider" includes but is not limited to: relatives of the debtor; general partners of the debtor and their relatives; corporations of which the debtor is an officer, director, or person in control; officers, directors, and any owner of 5 percent or more of the voting or equity securities of a corporate debtor and their relatives; affiliates of the debtor and insiders of such affiliates; any managing agent of the debtor. 11 U.S.C. § 101.

**1. Income from employment or operation of business**

None



State the gross amount of income the debtor has received from employment, trade, or profession, or from operation of the debtor's business, including part-time activities either as an employee or in independent trade or business, from the beginning of this calendar year to the date this case was commenced. State also the gross amounts received during the **two years** immediately preceding this calendar year. (A debtor that maintains, or has maintained, financial records on the basis of a fiscal rather than a calendar year may report fiscal year income. Identify the beginning and ending dates of the debtor's fiscal year.) If a joint petition is filed, state income for each spouse separately. (Married debtors filing under chapter 12 or chapter 13 must state income of both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

AMOUNT	SOURCE
<b>\$18,403,090.09</b>	<b>No income - part of a tax consolidation group 2007 gross revenue</b>
<b>\$23,528,862.65</b>	<b>No income - part of a tax consolidation group - 2006</b>
<b>\$12,977,947.00</b>	<b>No income - part of a tax consolidation group -2008 year to date</b>

## 2. Income other than from employment or operation of business

None State the amount of income received by the debtor other than from employment, trade, profession, or operation of the debtor's business during the **two years** immediately preceding the commencement of this case. Give particulars. If a joint petition is filed, state income for each spouse separately. (Married debtors filing under chapter 12 or chapter 13 must state income for each spouse whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

AMOUNT	SOURCE
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## 3. Payments to creditors

None *Complete a. or b., as appropriate, and c.*

a. *Individual or joint debtor(s) with primarily consumer debts.* List all payments on loans, installment purchases of goods or services, and other debts to any creditor made within **90 days** immediately preceding the commencement of this case unless the aggregate value of all property that constitutes or is affected by such transfer is less than \$600. Indicate with an (\*) any payments that were made to a creditor on account of a domestic support obligation or as part of an alternative repayment schedule under a plan by an approved nonprofit budgeting and creditor counseling agency. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR	DATES OF PAYMENTS	AMOUNT STILL OWING	
		AMOUNT PAID	
<input checked="" type="checkbox"/> None b. <i>Debtor whose debts are not primarily consumer debts:</i> List each payment or other transfer to any creditor made within <b>90 days</b> immediately preceding the commencement of the case unless the aggregate value of all property that constitutes or is affected by such transfer is less than \$5,475. If the debtor is an individual, indicate with an asterisk (*) any payments that were made to a creditor on account of a domestic support obligation or as part of an alternative repayment schedule under a plan by an approved nonprofit budgeting and creditor counseling agency. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)			
NAME AND ADDRESS OF CREDITOR <b>Matrix Communications</b> 318 South Clinton Street Syracuse, NY 13202	DATES OF PAYMENTS/ TRANSFERS 7/24/2008	AMOUNT PAID OR VALUE OF TRANSFERS \$230,000.00	AMOUNT STILL OWING \$0.00
Real Lease Fishers Crossing 1200 Pittsford - Victor Road Pittsford, NY 14534	7/15/2008, 8/15/2008, 9/15/2008	\$53,710.00	\$5,970.00
US Bank P.O. Box 790448 St. Louis, MO 63179-0448	7/11/2008, 8/7/2008, 9/18/2008	\$7,740.00	\$38,700.00
Caruso, Jr., Frank S. 347 North New River East Apt 3101 Fort Lauderdale, FL 33301	7/18/2008, 8/20/2008, 9/19/2008	\$12,310.23	\$824,788.90

None c. *All debtors:* List all payments made within **one year** immediately preceding the commencement of this case to or for the benefit of creditors who are or were insiders. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR AND RELATIONSHIP TO DEBTOR	DATE OF PAYMENT	AMOUNT STILL OWING	
		AMOUNT PAID	
<b>Caruso, Jr., Frank S.</b> 347 North New River East Apt 3101 Fort Lauderdale, FL 33301 shareholder	10/19/2007, 11/20/2007, 12/20/2007, 4/22/2008, 5/20/2008, 6/20/2008, 7/18/2008, 8/20/2008, 9/19/2008	\$130,168.49	\$824,788.90

NAME AND ADDRESS OF CREDITOR AND RELATIONSHIP TO DEBTOR	DATE OF PAYMENT	AMOUNT PAID	AMOUNT STILL OWING
<b>Kemper, Philip J.</b> <b>401 Deep Springs Drive</b> <b>Chittenango, NY 13037</b> shareholder	<b>10/18/2007</b>	<b>\$4,044.44</b>	<b>\$0.00</b>
<b>Matrix Communications</b> <b>318 South Clinton Street</b> <b>Syracuse, NY 13202</b> Subsidiary	<b>1/31/2008, 2/29/2008, 7/24/2008, 8/6/2008, 8/20/2008, 9/18/2008</b>	<b>\$458,677.52</b>	<b>\$0.00</b>
<b>MTXCG, Inc.</b> <b>126 Dewight Park Circle</b> <b>Syracuse, NY 13209</b> For the Benefit of Matrix Communications	<b>11/1/2007</b>	<b>\$33,741.13</b>	<b>\$564,004.80</b>
<b>Scuderi, Joseph T.</b> <b>c/o Widewaters Group</b> <b>5786 Widewaters Parkway</b> <b>DeWitt, NY 13214</b> shareholder	<b>10/31/2007, 11/29/2007, 3/26/2008, 5/2/2008,</b>	<b>\$17,666.67</b>	<b>\$1,665,000.00</b>
<b>Tuttle, Richard</b> <b>4500 Pewter Lane</b> <b>Building 3 East</b> <b>Manlius, NY 13104</b> shareholder	<b>10/23/2007, 11/2/2007, 12/14/2007</b>	<b>\$62,652.69</b>	<b>\$1,015,497.00</b>
<b>Tuttle, John</b> <b>120 East 90th Street</b> <b>New York, NY 10128</b> shareholder	<b>10/23/2007, 11/2/2007, 12/14/2007</b>	<b>\$10,447.56</b>	<b>\$235,102.60</b>

#### 4. Suits and administrative proceedings, executions, garnishments and attachments

None  a. List all suits and administrative proceedings to which the debtor is or was a party within **one year** immediately preceding the filing of this bankruptcy case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

CAPTION OF SUIT AND CASE NUMBER	NATURE OF PROCEEDING	COURT OR AGENCY AND LOCATION	STATUS OR DISPOSITION
<b>Richard &amp; John Tuttle v. US</b> <b>Datanet Corporation 08-5368</b>	<b>Summary Judgment on Note</b>	<b>Supreme Court, Onondaga County</b>	<b>Judgment Entered</b>
<b>Carrier Group, Inc. v. US</b> <b>Datanet Corporation</b> <b>2008/12129</b>	<b>Injunctive Relief</b>	<b>Supreme Court, Monroe County</b>	<b>Pending</b>
<b>CR Technologies, Inc. v. US</b> <b>Datanet Corporation, John</b> <b>Turner, Richard Shaw</b> <b>502008CA009159XXXXMB</b>	<b>Breach of Contract</b>	<b>15th Judicial Circuit, Palm Beach County Florida</b>	<b>Pending</b>

None  b. Describe all property that has been attached, garnished or seized under any legal or equitable process within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF PERSON FOR WHOSE BENEFIT PROPERTY WAS SEIZED	DATE OF SEIZURE	DESCRIPTION AND VALUE OF PROPERTY
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## 5. Repossessions, foreclosures and returns

None

List all property that has been repossessed by a creditor, sold at a foreclosure sale, transferred through a deed in lieu of foreclosure or returned to the seller, within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR OR SELLER	DATE OF REPOSESSION, FORECLOSURE SALE, TRANSFER OR RETURN	DESCRIPTION AND VALUE OF PROPERTY
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## 6. Assignments and receiverships

None

a. Describe any assignment of property for the benefit of creditors made within **120 days** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include any assignment by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF ASSIGNEE	DATE OF ASSIGNMENT	TERMS OF ASSIGNMENT OR SETTLEMENT
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None

b. List all property which has been in the hands of a custodian, receiver, or court-appointed official within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CUSTODIAN	NAME AND LOCATION OF COURT CASE TITLE & NUMBER	DATE OF ORDER	DESCRIPTION AND VALUE OF PROPERTY
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## 7. Gifts

None

List all gifts or charitable contributions made within **one year** immediately preceding the commencement of this case except ordinary and usual gifts to family members aggregating less than \$200 in value per individual family member and charitable contributions aggregating less than \$100 per recipient. (Married debtors filing under chapter 12 or chapter 13 must include gifts or contributions by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF PERSON OR ORGANIZATION	RELATIONSHIP TO DEBTOR, IF ANY	DATE OF GIFT	DESCRIPTION AND VALUE OF GIFT
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## 8. Losses

None

List all losses from fire, theft, other casualty or gambling within **one year** immediately preceding the commencement of this case **or since the commencement of this case.** (Married debtors filing under chapter 12 or chapter 13 must include losses by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

DESCRIPTION AND VALUE OF PROPERTY	DESCRIPTION OF CIRCUMSTANCES AND, IF LOSS WAS COVERED IN WHOLE OR IN PART BY INSURANCE, GIVE PARTICULARS	DATE OF LOSS
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## 9. Payments related to debt counseling or bankruptcy

None

List all payments made or property transferred by or on behalf of the debtor to any persons, including attorneys, for consultation concerning debt consolidation, relief under the bankruptcy law or preparation of the petition in bankruptcy within **one year** immediately preceding the commencement of this case.

NAME AND ADDRESS OF PAYEE	DATE OF PAYMENT, NAME OF PAYOR IF OTHER THAN DEBTOR	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY
<b>Harter Secrest &amp; Emery, LLP 1600 Bausch &amp; Lomb Place Rochester, NY 14614</b>	<b>October 2, 2008</b>	<b>100,000</b>

## 10. Other transfers

None

a. List all other property, other than property transferred in the ordinary course of the business or financial affairs of the debtor, transferred either absolutely or as security within **two years** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include transfers by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF TRANSFeree, RELATIONSHIP TO DEBTOR	DATE	DESCRIBE PROPERTY TRANSFERRED AND VALUE RECEIVED
<b>Earthlink, Inc.</b> <b>1375 Peachtree Street</b> <b>Atlanta, GA 30309</b>	<b>August 31, 2007</b>	<b>All subscribers under all dial up access bill plans, estimated to be approximately 30,460. Received \$2,225,000.</b>
<b>YAK America, Inc.</b> <b>300 -71st Street</b> <b>Miami Beach, FL 33141</b>	<b>July 24, 2008</b>	<b>Combined sale with USD CLEC and USD Management and Services of the Residential Customer List. \$2,800,000 down payment, \$1,500,000 promissory note, \$639,000 transition services, \$288,120 ancillary services, \$255,579 YAK Wholesale Termination Services</b>

None

b. List all property transferred by the debtor within **ten years** immediately preceding the commencement of this case to a self-settled trust or similar device of which the debtor is a beneficiary.

NAME OF TRUST OR OTHER DEVICE	DATE(S) OF TRANSFER(S)	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY OR DEBTOR'S INTEREST IN PROPERTY
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## 11. Closed financial accounts

None

List all financial accounts and instruments held in the name of the debtor or for the benefit of the debtor which were closed, sold, or otherwise transferred within **one year** immediately preceding the commencement of this case. Include checking, savings, or other financial accounts, certificates of deposit, or other instruments; shares and share accounts held in banks, credit unions, pension funds, cooperatives, associations, brokerage houses and other financial institutions. (Married debtors filing under chapter 12 or chapter 13 must include information concerning accounts or instruments held by or for either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF INSTITUTION	TYPE OF ACCOUNT, LAST FOUR DIGITS OF ACCOUNT NUMBER, AND AMOUNT OF FINAL BALANCE	AMOUNT AND DATE OF SALE OR CLOSING
<b>M&amp;T Bank</b> <b>101 S. Salina Street</b> <b>Syracuse, NY 13202</b>	<b>Corporate Checking #6582</b>	<b>April 30, 2008 \$621.27</b>

## 12. Safe deposit boxes

None

List each safe deposit or other box or depository in which the debtor has or had securities, cash, or other valuables within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include boxes or depositories of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF BANK OR OTHER DEPOSITORY	NAMES AND ADDRESSES OF THOSE WITH ACCESS TO BOX OR DEPOSITORY	DESCRIPTION OF CONTENTS	DATE OF TRANSFER OR SURRENDER, IF ANY
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## 13. Setoffs

None

List all setoffs made by any creditor, including a bank, against a debt or deposit of the debtor within **90 days** preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR	DATE OF SETOFF	AMOUNT OF SETOFF
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#### 14. Property held for another person

None  List all property owned by another person that the debtor holds or controls.

NAME AND ADDRESS OF OWNER	DESCRIPTION AND VALUE OF PROPERTY	LOCATION OF PROPERTY
<b>Segovia, Inc 600 Herndon Parkway Suite 200 Herndon, VA 20170</b>	<b>Deposit \$37,500</b>	<b>JP Morgan Chase Bank Account</b>
<b>Various Telecom Providers</b>	<b>Equipment value unknown</b>	<b>Colocation Space</b>
<b>YAK America, Inc. 300 -71st Street Miami Beach, FL 33141</b>	<b>Bank Account for AR Collections \$63,062.47</b>	<b>JP Morgan Chase</b>

#### 15. Prior address of debtor

None  If the debtor has moved within **three years** immediately preceding the commencement of this case, list all premises which the debtor occupied during that period and vacated prior to the commencement of this case. If a joint petition is filed, report also any separate address of either spouse.

ADDRESS	NAME USED	DATES OF OCCUPANCY
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#### 16. Spouses and Former Spouses

None  If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within **eight years** immediately preceding the commencement of the case, identify the name of the debtor's spouse and of any former spouse who resides or resided with the debtor in the community property state.

NAME
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#### 17. Environmental Information.

For the purpose of this question, the following definitions apply:

"Environmental Law" means any federal, state, or local statute or regulation regulating pollution, contamination, releases of hazardous or toxic substances, wastes or material into the air, land, soil, surface water, groundwater, or other medium, including, but not limited to, statutes or regulations regulating the cleanup of these substances, wastes, or material.

"Site" means any location, facility, or property as defined under any Environmental Law, whether or not presently or formerly owned or operated by the debtor, including, but not limited to, disposal sites.

"Hazardous Material" means anything defined as a hazardous waste, hazardous substance, toxic substance, hazardous material, pollutant, or contaminant or similar term under an Environmental Law

None  a. List the name and address of every site for which the debtor has received notice in writing by a governmental unit that it may be liable or potentially liable under or in violation of an Environmental Law. Indicate the governmental unit, the date of the notice, and, if known, the Environmental Law:

SITE NAME AND ADDRESS	NAME AND ADDRESS OF GOVERNMENTAL UNIT	DATE OF NOTICE	ENVIRONMENTAL LAW
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None  b. List the name and address of every site for which the debtor provided notice to a governmental unit of a release of Hazardous Material. Indicate the governmental unit to which the notice was sent and the date of the notice.

SITE NAME AND ADDRESS	NAME AND ADDRESS OF GOVERNMENTAL UNIT	DATE OF NOTICE	ENVIRONMENTAL LAW
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None  c. List all judicial or administrative proceedings, including settlements or orders, under any Environmental Law with respect to which the debtor is or was a party. Indicate the name and address of the governmental unit that is or was a party to the proceeding, and the docket number.

NAME AND ADDRESS OF GOVERNMENTAL UNIT	DOCKET NUMBER	STATUS OR DISPOSITION
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**18 . Nature, location and name of business**

None  a. *If the debtor is an individual*, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was an officer, director, partner, or managing executive of a corporation, partner in a partnership, sole proprietor, or was self-employed in a trade, profession, or other activity either full- or part-time within **six years** immediately preceding the commencement of this case, or in which the debtor owned 5 percent or more of the voting or equity securities within **six years** immediately preceding the commencement of this case.

*If the debtor is a partnership*, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting or equity securities, within **six years** immediately preceding the commencement of this case.

*If the debtor is a corporation*, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting or equity securities within **six years** immediately preceding the commencement of this case.

NAME	LAST FOUR DIGITS OF SOCIAL-SECURITY OR OTHER INDIVIDUAL TAXPAYER-I.D. NO. (ITIN)/ COMPLETE EIN	ADDRESS	NATURE OF BUSINESS	BEGINNING AND ENDING DATES
<b>USD CLEC, Inc</b>		<b>318 South Clinton Syracuse, NY 13202</b>	<b>Operates Regulatory Portion of Telecommunications Services</b>	<b>October 2003</b>
<b>USD Management and Network Services, Inc</b>		<b>318 South Clinton Street Suite 502 Syracuse, NY 13202</b>	<b>Operates Non- regulatory Portion of Telecommunications Services</b>	<b>January 2006</b>
<b>USD Call Center</b>		<b>318 South Clinton Street Suite 502 Syracuse, NY 13202</b>		<b>never operated</b>
<b>US Datonet Northeast Corporation</b>		<b>318 South Clinton Street Suite 502 Syracuse, NY 13202</b>		<b>never operated</b>
<b>Matrix Communications Group Corp</b>		<b>318 South Clinton Suite 502 Syracuse, NY 13202</b>	<b>Installation Services for Telecommunication Equipment</b>	<b>August 2006</b>

None  b. Identify any business listed in response to subdivision a., above, that is "single asset real estate" as defined in 11 U.S.C. § 101.

NAME	ADDRESS
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The following questions are to be completed by every debtor that is a corporation or partnership and by any individual debtor who is or has been, within **six years** immediately preceding the commencement of this case, any of the following: an officer, director, managing executive, or owner of more than 5 percent of the voting or equity securities of a corporation; a partner, other than a limited partner, of a partnership, a sole proprietor or self-employed in a trade, profession, or other activity, either full- or part-time.

*(An individual or joint debtor should complete this portion of the statement **only** if the debtor is or has been in business, as defined above, within six years immediately preceding the commencement of this case. A debtor who has not been in business within those six years should go directly to the signature page.)*

### **19. Books, records and financial statements**

None  a. List all bookkeepers and accountants who within **two years** immediately preceding the filing of this bankruptcy case kept or supervised the keeping of books of account and records of the debtor.

NAME AND ADDRESS <b>Janice Jackson</b> <b>318 South Clinton Street</b> <b>Suite 502</b> <b>Syracuse, NY 13202</b>	DATES SERVICES RENDERED <b>November 2002- present</b>
Richard Shaw 8333 White Cedar Circle Liverpool, NY 13090	<b>2002 - January 2008</b>
Robert Angelastro 318 South Clinton Avenue Suite 502 Syracuse, NY 13202	<b>January 2008 - present</b>

None  b. List all firms or individuals who within the **two years** immediately preceding the filing of this bankruptcy case have audited the books of account and records, or prepared a financial statement of the debtor.

NAME <b>Firley, Moran, Freer, &amp; Essa,</b> <b>P.C.</b>	ADDRESS <b>5010 Campuswood Drive</b> <b>Suite 4</b> <b>East Syracuse, NY 13057</b>	DATES SERVICES RENDERED <b>2005 to present</b>
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None  c. List all firms or individuals who at the time of the commencement of this case were in possession of the books of account and records of the debtor. If any of the books of account and records are not available, explain.

NAME	ADDRESS
None <input type="checkbox"/> d. List all financial institutions, creditors and other parties, including mercantile and trade agencies, to whom a financial statement was issued by the debtor within <b>two years</b> immediately preceding the commencement of this case.	

NAME AND ADDRESS <b>Financial Statements</b>	DATE ISSUED <b>Have been issued to various individuals and entities, but a list was not kept</b>
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### **20. Inventories**

None  a. List the dates of the last two inventories taken of your property, the name of the person who supervised the taking of each inventory, and the dollar amount and basis of each inventory.

DATE OF INVENTORY	INVENTORY SUPERVISOR	DOLLAR AMOUNT OF INVENTORY (Specify cost, market or other basis)
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None  b. List the name and address of the person having possession of the records of each of the two inventories reported in a., above.

DATE OF INVENTORY	NAME AND ADDRESSES OF CUSTODIAN OF INVENTORY RECORDS
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### **21 . Current Partners, Officers, Directors and Shareholders**

None  a. If the debtor is a partnership, list the nature and percentage of partnership interest of each member of the partnership.

NAME AND ADDRESS	NATURE OF INTEREST	PERCENTAGE OF INTEREST
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None      b. If the debtor is a corporation, list all officers and directors of the corporation, and each stockholder who directly or indirectly owns, controls, or holds 5 percent or more of the voting or equity securities of the corporation.

NAME AND ADDRESS	TITLE	NATURE AND PERCENTAGE OF STOCK OWNERSHIP
<b>David M. Montanaro 8204 Duvall Circle Manlius, NY 13104</b>	<b>Chariman, President &amp; CEO</b>	<b>Common Stock 11%</b>
<b>James Ramich 200 Belted Kingfisher Road Johns Island, SC 29455-5769</b>	<b>shareholder</b>	<b>Common Stock 5.6%</b>
<b>Caruso, Jr., Frank S. 347 North New River East Apt 3101 Fort Lauderdale, FL 33301</b>	<b>shareholder</b>	<b>Common Stock 6.6%</b>
<b>Patricia Walsh 197 Park Street New Canaan, CT 06840</b>	<b>shareholder</b>	<b>Common Stock 6.6%</b>
<b>John Turner 6050 Bay Hill Circle Jamesville, NY 13078</b>	<b>Executive VP, Secretary, Directory</b>	<b>Common Stock 1.7%</b>
<b>Mercer, John 318 South Clinton Street suite 502 Syracuse, NY 13202</b>	<b>Sr. VP &amp; Chief Technology Officer</b>	<b>none</b>
<b>Robert Angelastro 318 South Clinton Street Suite 502 Syracuse, NY 13202</b>	<b>Sr. VP Finance</b>	<b>none</b>
<b>DeRochie, Robert L. 6 Cross Road Brooklyn, NY 11234</b>	<b>Director</b>	<b>Common Stock 0.2%</b>

#### 22 . Former partners, officers, directors and shareholders

None      ■ a. If the debtor is a partnership, list each member who withdrew from the partnership within **one year** immediately preceding the commencement of this case.

NAME	ADDRESS	DATE OF WITHDRAWAL
None      □ b. If the debtor is a corporation, list all officers, or directors whose relationship with the corporation terminated within <b>one year</b> immediately preceding the commencement of this case.		
<b>NAME AND ADDRESS</b>	<b>TITLE</b>	<b>DATE OF TERMINATION</b>
<b>Richard Shaw 8333 White Cedar Circle Liverpool, NY 13090</b>	<b>Sr. Vice-President and Chief Financial Officer</b>	<b>January 2008</b>
<b>Janice Jackson 318 South Clinton Street Suite 502 Syracuse, NY 13202</b>	<b>VP &amp; Comptroller, Treasurer</b>	<b>October 2008</b>
<b>Matukas, Scott</b>	<b>President</b>	<b>January 2008</b>
<b>John L. Clark</b>	<b>Director</b>	<b>September 2008</b>

NAME AND ADDRESS	TITLE	DATE OF TERMINATION
<b>Scuderi, Matthew G. c/o Widewaters Group 5786 Widewaters Parkway DeWitt, NY 13214</b>	<b>Director</b>	<b>September 2008</b>
<b>Lynn Hartrick 73 Bristol View Drive West Hartford, CT 06107</b>	<b>Director</b>	<b>November 2007</b>
<b>Mello, Douglas J.</b>	<b>Director</b>	<b>January 2008</b>
<b>Nancy D. Hessler</b>	<b>Director</b>	<b>December 2007</b>

**23 . Withdrawals from a partnership or distributions by a corporation**

None  If the debtor is a partnership or corporation, list all withdrawals or distributions credited or given to an insider, including compensation in any form, bonuses, loans, stock redemptions, options exercised and any other perquisite during **one year** immediately preceding the commencement of this case.

NAME & ADDRESS OF RECIPIENT, RELATIONSHIP TO DEBTOR	DATE AND PURPOSE OF WITHDRAWAL	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY
<b>Angelastro, Robert 318 South Clinton Avenue Suite 502 Syracuse, NY 13202 CFO</b>	<b>2008 Wages</b>	<b>81,653.99</b>
<b>Matukas, Scott</b>	<b>2007 Wages and 2008 Severance</b>	<b>96,285.39</b>
<b>Mercer, Jay</b>	<b>Wages 10/3/2007 through 10/3/2008</b>	<b>154,987.56</b>
<b>Cheif Technology Officer</b>		
<b>David M. Montanaro 8204 Duvall Circle Manlius, NY 13104 CEO, President, Chairman</b>	<b>Wages 10/3/2007 through 10/3/2008</b>	<b>197,764.74</b>
<b>Richard Shaw 8333 White Cedar Circle Liverpool, NY 13090 Former CFO</b>	<b>Wages 2007 and Severance 2008</b>	<b>77,195.62</b>
<b>John Turner 6050 Bay Hill Circle Jamesville, NY 13078 Chief Operations Officer</b>	<b>Wages 10/3/2007 - 10/3/2008</b>	<b>161,221.32</b>
<b>Jackson, Janice</b>	<b>Wages 10/3/2007 - 10/3/2008</b>	<b>94,145.49</b>
<b>Vice-President Finance</b>		
<b>David M. Montanaro 8204 Duvall Circle Manlius, NY 13104 CEO, President, &amp; Chairman</b>	<b>January 18, 2008 Exercised 100,000 Option for \$0.0001 share</b>	<b>10.00</b>

**24. Tax Consolidation Group.**None  

If the debtor is a corporation, list the name and federal taxpayer identification number of the parent corporation of any consolidated group for tax purposes of which the debtor has been a member at any time within **six years** immediately preceding the commencement of the case.

NAME OF PARENT CORPORATION  
**US Datonet Corporation**TAXPAYER IDENTIFICATION NUMBER (EIN)  
**16-1548833****25. Pension Funds.**None  

If the debtor is not an individual, list the name and federal taxpayer identification number of any pension fund to which the debtor, as an employer, has been responsible for contributing at any time within **six years** immediately preceding the commencement of the case.

NAME OF PENSION FUND

TAXPAYER IDENTIFICATION NUMBER (EIN)

**DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP**

I declare under penalty of perjury that I have read the answers contained in the foregoing statement of financial affairs and any attachments thereto and that they are true and correct to the best of my knowledge, information and belief.

Date **October 20, 2008**

Signature **/s/ David M. Montanaro**  
**David M. Montanaro**  
**Chairman of the Board, CEO & President**

[An individual signing on behalf of a partnership or corporation must indicate position or relationship to debtor.]

*Penalty for making a false statement: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571*